

Summary of empirical research results of family ownership

Author	Research method	Results	Country of analysis
Villalonga, Amit (2006)	OLS	Family ownership creates value only if the founder is CEO or the Chairman of the company. If the descendant serves as CEO or a Chairman, the value is destroyed.	US
Anderson, Reeb (2003)	Two-way fixed effects regression model	Firm performance measured by ROA in family firms is significantly better than in non-family firm. Greater profitability arises from the firms in which family members serve as CEOs. Market performance measured by Tobin's Q in family firms is as good as in non-family firms. Though as the family control in the company increases, the probability of poorer performance increases.	US
Andres (2008)	Generalized least squares (GLS) regression	Family firms outperform widely held firms and other ones with controlling shareholders. This effect is present only when the founding family is involved either in management positions or as Board members.	Germany
Pindado, Requejo, Torre (2008)	Generalized method of moments (GMM)	Family ownership impacts positively the firm value. Though the relation is non-linear and too high family ownership concentration leads to decrease of the performance. Additionally, young family companies outperform old family firms and non-family firms as well.	Switzerland, Germany, Spain, Finland, France, UK, Greece, Netherlands, Sweden
Isakov, Weisskopf (2009)	Two-way fixed effects regression model	Family ownership is positively influencing firm performance only if founding family is actively engaged in monitoring or control functions. This effect holds for both cases when founder serves as CEO or Chairman or descendant as CEO.	Switzerland

Sources: compiled by author according to Anderson, Reeb, 2003; Andres, 2008; Isakov, Weisskopf, 2009; Pindado et al., 2008; Villalonga, Amit, 2006.